

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 93-695-G - ORDER NO. 93-1151 *JC*  
DECEMBER 22, 1993

IN RE: Application of South Carolina Electric & ) ORDER  
Gas Company and SCANA Corporation for the ) APPROVING  
Transfer of Florence Division Properties ) TRANSFER OF  
to South Carolina Electric & Gas Company. ) PROPERTIES

This matter comes before the Public Service Commission of South Carolina (the "Commission") by way of the Application of SCANA Corporation ("SCANA") and South Carolina Electric & Gas Company ("SCE&G") requesting Commission approval and authorization to complete the transfer of SCANA's Florence Gas Division Properties to SCE&G.

The Florence Gas Division Properties, currently held by SCANA, consist of a natural gas distribution system located in the counties of Florence, Sumter, and Darlington, South Carolina. On June 22, 1990, SCANA and SCE&G entered into an Operating Agreement whereby the Florence Gas Division Properties would be operated by SCE&G under SCE&G's name. This Operating Agreement was approved by the Commission in Order No. 90-960 dated October 1, 1990, and entered in Docket No. 90-451-G.

Under the Operating Agreement, SCANA, through SCE&G, has exercised all rights and has discharged all duties and obligations to the public pursuant to the Certificates of Public Convenience

and Necessity granted by the Commission to SCANA and in compliance with the tariffs, contracts, terms and conditions currently filed with and approved by the Commission for SCE&G. Both SCANA and SCE&G represent to the Commission that the transfer of the Florence Gas Division Properties into SCE&G will not impair the adequacy and dependability of service to the public as authorized by the Commission. In fact, the gas distribution facilities of the Florence Gas Division Properties are currently being operated by SCE&G and together with the other gas distribution facilities of SCE&G are already treated as if consolidated for certain regulatory purposes, including periodic reports filed with regulatory bodies, safety reports, ratemaking matters, and all other matter pertaining to the Rules and regulation of the Commission.

The Commission's Executive Director directed the Applicants to publish, one time, in newspapers of general circulation a prepared Notice of Filing. The Notice of Filing indicated the nature of the Application and the manner and time in which to file the appropriate pleadings to participate in the Docket. The Applicants complied with the instructions and furnished Proof of Publication to the Commission. No Protests or Petitions to Intervene were received.

Based on the Application and the applicable law, the Commission makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

1. SCANA is a South Carolina corporation and is a holding company exempt from registration under Section 3(a)(1) of the

Public Utilities Holding Company Act of 1935.

2. SCE&G is a wholly-owned subsidiary of SCANA engaged in the generation, transmission and distribution of electric power and in the distribution of natural gas within the State of South Carolina.

3. SCE&G is subject to the jurisdiction of the Commission with respect to rates and conditions of service and operates wholly within the State of South Carolina. SCE&G is not a "natural gas company" subject to regulation by the Federal Energy regulatory Commission ("FERC") under the Natural Gas Act.

4. The service areas of SCE&G and the Florence Gas Division are wholly within the State of South Carolina and are adjacent and contiguous to each other.

5. SCE&G is currently operating the Florence Gas Division Properties pursuant to an Operating Agreement between SCANA and SCE&G which was approved by the Commission in Order No. 90-960 dated October 1, 1990, and entered in Docket No. 90-451-G. Furthermore, SCE&G is fit, willing and able to operate to operate the Florence Gas Division Properties.

6. The Florence Gas Division Properties are presently being operated under the tariffs, contracts, terms and conditions currently on file with and approved by the Commission for SCE&G.

7. There will be no adverse impact on public convenience and necessity through transfer of the Certificates of Public Convenience and Necessity from SCANA to SCE&G and that the transfer of the Certificates is proper and in the public interest.

#### CONCLUSIONS OF LAW

1. The transfer of the Florence Gas Division Properties from

SCANA to SCE&G is hereby approved to be effective January 1, 1994.

2. The Certificates of Public Convenience and Necessity currently held by SCANA should be transferred from SCANA to SCE&G.

3. The Operating Agreement dated June 22, 1990, and approved by Commission Order No. 90-960 dated October 1, 1990, entered in Docket No. 90-451-G, is hereby canceled.

4. The currently approved rates and charges for SCE&G are hereby approved for use with the Florence Gas Division Properties, including the depreciation rates currently approved for SCE&G.

IT IS THEREFORE ORDERED THAT:

1. The transfer of the Florence Gas Division Properties from SCANA to SCE&G is hereby approved effective January 1, 1994.

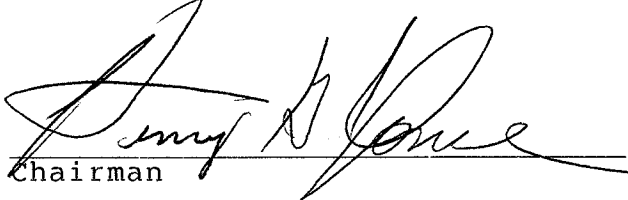
2. The Certificates of Public Convenience and Necessity for the rendering of natural gas service held by SCANA for the Florence Division Properties are transferred to SCE&G.

3. The operating Agreement dated June 22, 1990, and approved by Order No. 90-960 dated October 1, 1990, in Docket No. 90-451-G is canceled.

4. The currently approved rates and charges for SCE&G are hereby approved for use with the Florence Gas Division Properties, including the depreciation rates currently approved for SCE&G.

5. This Order shall remain in effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
Chairman

ATTEST:

  
Executive Director

(SEAL)